

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)	
to implement the provisions of Sections 6a(6) and)	Case No. U-15895
10p(11) of 2008 PA 286.)	
_____)	

In the matter, on the Commission's own motion,)	
to revise the standard rate application filing forms)	Case No. U-18238
and instructions previously adopted in)	
Case No. U-15895.)	
_____)	

At the March 28, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER AMENDING SCHEDULE AND PROCEEDINGS

On December 21, 2016, Governor Rick Snyder signed into law¹ 2016 PA 341 (Act 341),
which, among many things, re-numbers and slightly revises MCL 460.6a(6).² Act 341 also

¹ By its provisions, Act 341 does not take effect until 120 days following its enactment.

² The current version of MCL 460.6a(6) provides: "Within 90 days of the effective date of the amendatory act that added this subsection, the commission shall adopt standard rate application filing forms and instructions for use in all general rate cases filed by utilities whose rates are regulated by the commission. For cooperative electric utilities whose rates are regulated by the commission, in addition to rate applications filed under this section, the commission shall continue to allow for rate filings based on the cooperative's times interest earned ratio. The commission may, in its discretion, modify the standard rate application forms and instructions adopted under this subsection."

reduces rate case processing time from 12 months to ten months.³ On April 20, 2017, MCL 460.6a(6) will become MCL 460.6a(8) and will read:

The commission shall adopt standard rate application filing forms and instructions for use in all general rate cases filed by utilities whose rates are regulated by the commission. For cooperative electric utilities whose rates are regulated by the commission, in addition to rate applications filed under this section, the commission shall continue to allow for rate filings based on the cooperative's times interest earned ratio. The commission may modify the standard rate application forms and instructions adopted under this subsection.

Because Act 341 reduces the amount of time available to the Commission and the Commission Staff (Staff) to process most electric, natural gas, and steam general rate cases, and given that the ten-month processing limitation will begin to apply to rate case applications filed by electric utilities, larger natural gas utilities,⁴ and steam utilities filed on and after April 20, 2017, on January 20, 2017, the Commission issued an order in Case No. U-18238 (January 20 order) to consider modifications to its existing standard rate application filing forms and instructions to ensure the Commission can continue to thoroughly examine rate case applications in a timely manner in the future. In the January 20 order, the Commission directed the Staff to file proposals to update the existing standard rate application filing forms and instructions by March 31, 2017, with a comment period to follow.

The Commission now finds that both the schedule and the procedure for establishing new rate case filing requirements should be revised. Accordingly, the Commission directs:

- The Staff shall file its draft proposal on April 10, 2017;

³ Section 6a(1) of Act 341 allows natural gas utilities serving fewer than 1 million customers in Michigan to seek partial and immediate rate relief, in which case the Commission will have 12 months to process the rate case application.

⁴ Natural gas utilities serving fewer than 1 million customers may request partial and immediate rate relief, in which case a 12-month schedule for rate case processing is permitted.

- Initial comments are due by May 3, 2017;
- The Commission will hold two collaborative sessions, the first on May 15 and the second on May 22, 2017;
- On June 9, 2017, the Staff shall file a final proposal, and a round of final comments shall be due by June 21, 2017.

The Commission appoints Bill Stosik, Director of its Financial Analysis and Audit Division, to convene collaborative sessions for interested parties to discuss the Staff's initial proposal and the initial comments. Utility and stakeholder participation is voluntary. By May 1, 2017, those parties wishing to participate in the collaborative sessions shall submit a letter to the Commission's Executive Secretary indicating the names and contact information⁵ of their representatives.⁶ Thereafter, the Executive Secretary shall notify those participants of the time and place of the collaborative sessions. A notice of the collaborative events shall also be posted in this docket and on the Commission's website.

At the initial collaborative session, Mr. Stosik shall make a presentation to the participants regarding the issues, which should include proposals from the Staff's initial proposal and the initial comments. While the collaborative sessions may lead to refinement or consensus on certain issues, the primary goal of the collaborative is to facilitate the sharing of thoughts, ideas, concerns, and comments so that all stakeholders get a better sense of the issues as the Staff and stakeholders work toward the Staff's final proposal and final comments.

⁵ Contact information should include name, business address, direct business telephone number and email address. The Executive Secretary shall ensure that direct telephone numbers and email addresses of interested parties do not appear in the public docket.

⁶ A representative may have a substitute attend either collaborative session.

A separate report related to the collaborative sessions is not required. However, the Staff's final proposal should, at minimum, include a brief summary of the collaborative discussion with respect to the proposals contained in the Staff's final proposal.

The Commission reiterates that any person may submit written comments or concerns regarding the initial and final proposals. A person submitting a comment or concern should explain the basis for the concern and also provide an alternative that would accomplish the same end result for the Commission and the Staff to consider. The comments or concerns should reference Case No. U-18238, and must be received no later than 5:00 p.m. on May 3, 2017 (initial comments) and no later than 5:00 p.m. on June 21, 2017 (final comments). Address mailed comments to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, MI 48909. Electronic comments may be e-mailed to mpscdockets@michigan.gov. If you require assistance prior to filing, contact the Commission Staff at (517) 284-8090 or by e-mail at mpscdockets@michigan.gov. All comments submitted to the Commission in this matter will become public information available on the Commission's website and subject to disclosure; and all comments will be filed in Case No. U-18238.

THEREFORE, IT IS ORDERED that:

A. The Commission Staff shall file initial proposed revisions to the Commission's standard rate application filing forms and instructions, in the docket for Case No. U-18238 by April 10, 2017. The Commission Staff shall file a final proposal in the docket for Case No. U-18238 by June 9, 2017.

B. The Commission's Executive Secretary shall simultaneously electronically serve the Commission Staff's initial and final proposed revisions to the standard rate application filing forms and instructions on all electric, natural gas, and steam utilities subject to the Commission's

rate regulation, and shall also electronically transmit the Commission Staff's proposals to every person normally sent an electronic notification of the Commission's orders in electric, natural gas, and steam cases.

C. Interested persons shall submit initial comments, concerns, and alternative recommendations regarding the Commission Staff's initial proposed revisions to the Commission's standard rate application filing forms and instructions by 5:00 p.m. May 3, 2017. Interested persons shall submit final comments to the Commission Staff's final proposal by 5:00 p.m. June 21, 2017.

D. By May 1, 2017, those interested parties wishing to participate in the collaborative proceedings to be held on May 15 and May 22, 2017, shall submit a letter to the Commission's Executive Secretary indicating the names and contact information of their representatives.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

By its action of March 28, 2017.

Norman J. Saari, Commissioner

Kavita Kale, Executive Secretary

Rachael A. Eubanks, Commissioner